



August 12, 2010

Jennifer J. Johnson, Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, D.C. 20551

RE: Docket ID OCC-2010-0011, R-1386, RIN 3064-AD60

Dear Ms. Johnson:

The following are the comments of AnewAmerica Community Corporation on the agencies' hearings to review aspects of Community Reinvestment Act (CRA) regulations and how the agencies should revise them to better serve the goals of CRA and the needs of under-served communities. These revisions are particularly important because of the current lack of bank response to the needs of low-income communities and communities of color.

AnewAmerica was founded in 1999 by a group of community leaders representing immigrants and community development advocates who saw a need and an opportunity for integrated job creation, asset development, and community empowerment strategies for low-income new Americans living in the S.F. Bay Area. AnewAmerica currently assists low-income new Americans to establish micro-businesses, build personal assets, and create community assets supporting long-term political, social, and cultural empowerment.

The clients who participate in our unique program represent over 40 countries, multiple languages and diverse levels of education. We're proud that women represent 70% of our total client base and 86% of our client base is family owned business. We serve an estimated 300 entrepreneurs and nearly 1,800 families each year. AnewAmerica focuses its outreach on the counties of Alameda, Santa Clara, Contra Costa and San Francisco and is headquartered in Berkeley with satellite offices in Oakland and San Jose. AnewAmerica is also a Women's Business Center affiliated with the Small Business Administration. For additional information, please visit www.anewamerica.org.

The Community Reinvestment Act has promoted fair and equitable access to financial services for more than three decades. CRA has meant sound products were offered to under-served communities and people as a result of interaction promoted by the CRA.

The regulatory agencies need to look carefully at the following key issues in concert with the CRA Hearings:

- Geographic Coverage: CRA activity should include geographies where a bank, particularly a bank with one or few branches, does significant lending, investment and

AnewAmerica Community Corporation
1918 University Avenue, Suite 3A, Berkeley, CA 94704
Phone: (510) 540-7785 ☎ Fax: (510) 540-7786 ☎ www.anewamerica.org
Berkeley ☎ Oakland ☎ San José

deposit that are outside branch locations. Banks should be held responsible for CRA activity in non-metropolitan and rural areas not just major metropolitan areas.

- CRA Performance: Bank products should fit the needs of low-income people and people of color not just the middle class. Bank activity should be proportional to the population in low-income neighborhoods and neighborhoods of color relative to other communities.
- Affiliate Activities: All components of the financial corporation should be examined by the regulatory agencies for their CRA and banking activity. In the past, predatory practices have taken place in affiliates not examined by federal regulators.
- Small Business Data: Data should also be collected separately on smaller businesses earning <\$500,000 in annual revenue. Data should also be collected separately on lending to minority-owned and women-owned businesses including to the business districts where such businesses predominate.
- Community Development: Banks should not get credit for loans for development of multifamily housing unless the housing is deed restricted to low and very low income tenants.

AnewAmerica looks forward to the implementation of these revisions to the regulations this year.

Sincerely,



Sylvia Rosales-Fike
President & CEO

Cc: Alan Fisher